JOE B. ADAMS CONSULTING GEOLOGIST

July 2, 2001

Honorable Philip N. Asprodites Commissioner of Conservation P.O. Box 94275 Baton Rouge, Louisiana 70804-9275

Re:: APPLICATION FOR PUBLIC HEARING

Hosston Zone, Reservoir A Lower Cotton Valley Zone, Reservoir A Elm Grove Field Bossier Parish, Louisiana

Dear Sir:

Application is hereby made on behalf of J-W OPERATING COMPANY ("Applicant") for the calling of a public hearing, after legal notice to consider evidence relative to the issuance of an order pertaining to the following matters relating to the HOSSTON ZONE, RESERVOIR A and the LOWER COTTON VALLEY ZONE, RESERVOIR A in Elm Grove Field, Bossier Parish, Louisiana:

HOSSTON ZONE, RESERVOIR A:

- 1. To create two (2) additional drilling and production units of approximately 640 acres each for the exploration for and production of gas and condensate from the Hosston Zone, Reservoir A, such units being shown on the attached plat and designated HOSS RA SU 126 and HOSS RA SU 127.
- 2. To force pool and integrate all separately owned tracts, mineral interest and other property interests within the unit so created, in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950 with each tract sharing in unit production on a surface acreage basis of participation; and
- 3. To designate a unit operator and a unit well, where applicable, for the proposed units; and
- 4. To authorize the downhole combination of production from the Lower Cotton Valley Zone, the Cotton Valley Formation, Reservoir A and the Hosston Zone, Reservoir A; in the wellbore of any well drilled on units HOSS RA SU 126 and HOSS RA SU 127 proposed herein.

- 5. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 361-A-1, effective October 1, 1972, as amended and supplemented by the Order 361-A series of Orders, to the proposed additional units for the Hosston Zone, Reservoir A.
- 6. To consider such other matters as may be appropriate and justified by the evidence presented at the public hearing.

The Hosston Zone, Reservoir a in the Elm Grove Field, Bossier, Caddo and Webster Parishes, Louisiana is fully defined in Office of Conservation Order No. 361-A-1, effective October 1, 1972.

LOWER COTTON VALLEY ZONE;

- To create three (3) additional drilling and production units of approximately 640 acres each for the exploration for and production of gas and condensate from the Lower Cotton Valley Zone, Reservoir A, such units being shown on the attached plat and designated LCV RA SU 60, LCV RA SU 61 and LCV RA S 62.
- 2. To force pool and integrate all separately owned tracts, mineral interest and other property interests within the unit so created, in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950 with each tract sharing in unit production on a surface acreage basis of participation; and
- 3. To designate a unit operator and a unit well for the proposed units, where applicable; and
- 4. To authorize the downhole combination of production from the Lower Cotton Valley Zone, the Cotton Valley Formation, Reservoir A and the Hosston Zone, Reservoir A; in the wellbore of any well drilled on units LCV RA SU 60, 61 and 62 proposed herein.

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- 5. To extend, except as in conflict herewith, the provisions of the Office of Conservation Order No. 361-E, effective July 18, 1996, as amended and supplemented by the Order 361-E series of Orders, to the proposed additional units for the Lower Cotton Valley Zone, Reservoir A.
- 6. To consider such other matters as may be appropriate and justified by the evidence presented at the public hearing.

The Lower Cotton Valley Zone, Reservoir A in the Elm Grove Field, Bossier, Caddo and Webster Parishes, Louisiana is defined in Office of Conservation Order No. 361-E, effective July 16, 1996

Pertinent data concerning this application is available for inspection at the offices of Mr. John Mahan, J-W Operating Company, 15508 Wright Brothers Drive, Addison, Texas, 75001. Any person wishing to inspect such data should call Mr. Mahan (972) 233-8191 during normal business hours in order to arrange a date and time for such inspection. A copy of any such data which is not otherwise available at the Office of Conservation can be obtained from Applicant at the expense of the requesting party.

A pre-application conference was scheduled for 1:00 P.M. Wednesday, July 11, 2001 at the Shreveport Sheraton Hotel, 1419, E. 70th Street, Shreveport, Louisiana. No one requested to confer and this application is being filed under Rule 7 of the Revised Rules of Procedure.

Pursuant to the aforesaid Revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom notice of this application is being sent and has attached hereto a list of the names and addresses of such parties. The list of Interested Owners, Represented Parties and Interested Parties is being sent to the Commissioner of Conservation only. A copy of this letter and the attached plat is being sent to the District Manager of the Shreveport District of the Office of Conservation and to the Interested Owners, Represented Parties and Interested Parties, as shown on the attached list.

Applicant will provide for POSTING of a copy of the legal notice of the hearing and the enclosed plat at a prominent place in the area affected and will cause the LEGAL NOTICE to be PUBLISHED in a newspaper of general circulation in the vicinity of the Elm Grove Field, all in accordance with the Revised Rules of Procedure. Furthermore, Applicant will mail a copy of the Legal Notice to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice.

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Also enclosed is a check, in the amount of \$ 3,500.00, payable to the Louisiana Office of Conservation, which represents the required hearing fee.

Respectfully submitted,

Jac B. Adams

Joe B. Adams

encl:

 cc: Mr. Jim Broussard (w/ encls.)
 J-W (w/ encls.)
 All Interested Owners, Interested Parties and Represented Parties (w/ plat)





